



OFFICE OF SPEAKER NANCY PELOSI FACT SHEET

AN ECONOMIC BLUEPRINT FOR AMERICA

The House Budget Committee passed a resolution that closely mirrors President Obama's budget blueprint, which lays the foundation for lasting prosperity.

For the first time in years, we will have an honest budget that:

- **creates jobs** with investments in **health care, clean energy, and education**
- **cuts taxes for middle income families** by \$1.5 trillion
- **cuts the deficit by two-thirds**

A Secure and Lasting Prosperity

President Obama made the case in his Tuesday news conference:

"... the best way to bring our deficit down in the long run is not with a budget that continues the very same policies that have led to a narrow prosperity and massive debt. It's with a budget that leads to broad economic growth by moving from an era of borrow and spend to one where we save and invest.

"That's what clean energy jobs and businesses will do. That's what a highly-skilled workforce will do. That's what an efficient health care system that controls costs and entitlements like Medicare and Medicaid will do. **That's why this budget is inseparable from this recovery – because it is what lays the foundation for a secure and lasting prosperity.**"

The House Budget Committee's blueprint creates deficit neutral reserve funds for:

- **Affordable Health Care**, through reform that will lower costs on businesses and families, improve quality, and give more Americans access to care
- **A Clean Energy Economy** that increase our investment in energy efficiency and renewable energy to launch a sustainable era of job creation and make America a global technology leader once again
- **Education for a Globally Competitive Workforce**, including new initiatives in early childhood education, a new tax credit for college costs, and increasing the size of the Pell Grant.

Ending an Era of Irresponsibility

It will take some time to turn around the fallout from the failed policies of the last eight years under President Bush, including:

- **a record surplus of \$5.6 trillion over 10 years under President Clinton ... turned into a record deficit of \$5.8 trillion under President Bush**
- the national debt doubled, and the amount of debt held by foreign countries tripled
- **the smallest rate of job growth in three-quarters of a century**
- flat wages, and more Americans living in poverty and without health insurance

Restoring Fiscal Responsibility

The House Budget Committee's blueprint:

- **cuts the deficit by two-thirds by 2013**
- **is the key vote in Congress that reduces the deficit**
- **pares the Bush deficit from 12.3% of our GDP to just 3.5% in 2013, roughly the rate of projected economic growth for that year**
- **reduces non-defense discretionary spending by 1.5% from the President's introduced budget**
- makes up for years of failure to invest in our global competitiveness, but **holds the increase to the rate of inflation plus 2%**
- **takes steps to reduce health care costs, one of the largest contributors to the deficit**, and a growing burden on our businesses' ability to compete and on our families' prosperity.

Tax Fairness

The House Budget Committee's blueprint:

- **Cuts taxes for middle income families by \$1.5 trillion**
- The cuts include an extension of the 2001 and 2003 income tax cuts for those taxpayers making under \$250,000 each year
- The Making Work Pay tax cut for 95% of American workers—the fastest tax cut in history—is fully in place for two years as part of the American Recovery and Reinvestment Act, and can be continued as the economy grows
- None of the tax proposals affecting the top 2% of taxpayers would go into effect until 2011, when the economy is projected to be in recovery

Honest Accounting

This plan marks the beginning of a new era of honesty in budgeting, finally accurately representing costs like the wars in Iraq and Afghanistan and emergency disaster aid. Previous budgets masked these costs to make the deficit appear smaller.